

Memorandum

TAB 77

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: September 15, 2011

Reference No.: 2.5e.(2)
Action Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Rachel Falsetti
Division Chief
Transportation Programming

Subject: ALLOCATION FOR SUPPLEMENTAL FUNDS FOR PREVIOUSLY VOTED PROJECT
RESOLUTION FA-11-02

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the California Transportation Commission (Commission) allocate an additional \$600,000 for one State Highway Operation and Protection Program (SHOPP) project identified below.

ISSUE:

Additional funds are needed for one previously approved project in order to award the construction contract.

RESOLUTION:

Resolved, that \$600,000 be allocated from the Budget Act of 2011, Budget Act Items 2660-302-0890 and 2660-302-0042 to provide additional funds to allow the following project to be awarded.

<u>Project</u>	<u>Dist-Co-Rte</u>	<u>Original Allocated Amount</u>	<u>Current Allocation</u>	<u>Allocation Adjustment</u>	<u>Revised Allocation</u>	<u>% Increase Above Current Allocation</u>
1	02-Sha-5	\$1,300,000	\$ 1,300,000	\$600,000	\$1,900,000	46.2%

CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

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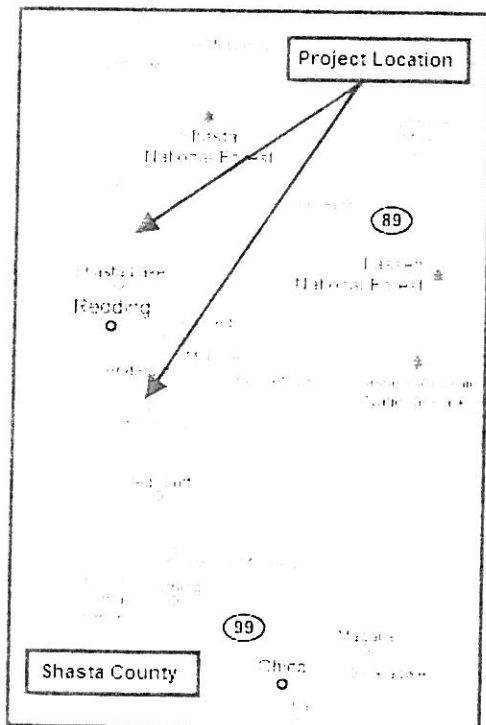
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Project # Allocation Amount Recipient County Dist-Co-Rte Postmile	Location Project Description Reason for Supplemental Funds	PPNO Program Funding Year Item # Fund Type Program Codes Project ID Adv Phase EA	State Federal Current Amount by Fund Type	State Federal Additional Amount by Fund Type	State Federal Revised Amount by Fund Type
2.5e.(2) Supplemental Funds for Previously Voted Projects			Resolution FA-11-02		
1 \$600,000 Department of Transportation Shasta 02-Sha-5 Var	Near Shasta Lake City, at Tunnel Gulch Viaduct Bridge #06-0131R; also at Bridge #06-0115 Castella at Sweetbriar overcrossing. <u>Outcome/Output:</u> Retrofit two bridges to enhance the structures ability to withstand seismic events and to preserve serviceability. Supplemental funds needed to award construction contract. Total Revised Amount: \$1,900,000	02-3216 SHOPP 2009-10 302-0042 SHA 302-0890 FTF 20.20.201.113 0200000168 4 2C2304 SHOPP 2011-12 302-0042 SHA 302-0890 FTF 20.20.201.113	\$26,000 \$1,274,000		\$26,000 \$1,274,000 \$12,000 \$588,000 \$588,000

RECOMMENDATION:

The Department recommends that this request for \$600,000 be approved to allow this project to be awarded.



PROJECT DESCRIPTION:

This project is located in Shasta County near Shasta Lake City at Tunnel Gulch Viaduct Bridge #06-131R and also at Sweetbrier Overcrossing #06-0155. This project will retrofit abutment, bent caps, footings and replace deck, and protect concrete column by stabilizing an eroding channel.

FUNDING STATUS:

The project was programmed in the 2010 State Highway Operations Protection Program (SHOPP) for \$10,100,000 for construction in Fiscal Year (FY) 2010-11 and was voted for \$1,300,000 in May 2011. The reason for this significant cost reduction is the elimination of one location, North Cottonwood Undercrossing, after the completion of a detailed seismic analysis and the removal of bridge maintenance work which was completed under another contract. Bids for this project were opened on June 30, 2011. Four bids were received for this project. The amount needed to award the contract, based on the lowest bidder, is \$1,850,000. This request for \$600,000 in supplemental funds results in an overall increase of 46.2 percent over the original vote amount. This contract will be awarded upon approval of this supplemental funds request.

REASONS FOR COST INCREASE:

The Department performed a bid analysis to evaluate the differences between the Engineer's Estimate and the contract bid items. The contract has 57 bid items. Five of these bid items have significant cost differences. These items are Mobilization, Structure Excavation (Bridge), Structural Concrete (Bridge Footing), and Structural Concrete (Bridge).

BID ITEM	ENGINEER'S ESTIMATE	LOW BID	INCREASE
Mobilization	\$ 29,000	\$ 160,000	\$ 131,000
Structure Excavation (Bridge)	83,860	209,650	125,790
Structure Concrete (Bridge Footing)	64,800	172,810	108,010
Traffic Control System	42,000	150,000	108,000
Structural Concrete (Bridge Footing)	81,400	177,600	96,200
Miscellaneous Adjustments/Contingencies			31,000
TOTAL			\$ 600,000

Although the unit prices used in the Department's estimate were based on the current industry trends, the assumptions made did not accurately address the level of effort and unique nature of this project. Unique conditions include restrictive work windows, mitigation of impacts on a large colony of bats, and the avoidance of K-rail conflict with snow plow operations. The Department's estimate also assumed late summer construction in the first year and completion of the remaining work the following year. Bidders estimated the work would span over two or more construction seasons, and bids therefore reflected the escalation in item prices over the life of the project. This also contributed to the higher cost of this project.

In addition, site access is difficult due to steep terrain. This will require mobilization of heavier equipment to lower equipment and materials to the work areas and will require extensive lane closures. Minimal traffic closures and mobilization of equipment were assumed in the engineer's estimate.

These conditions are the primary contributors to the discrepancy between the Engineer's Estimate and the low bid. An additional \$600,000 in supplemental funds is needed in order to award this project to the low bidder.

FUNDING OPTIONS:

OPTION A: Approve this request as presented above for \$600,000 to allow this project to be awarded.

OPTION B: Deny this request and direct the Department to down scope the project to remain within the allocated amount. The Department considered this option and determined that reducing the scope of work on this project, and executing another project to complete the deleted work later would result in greater costs and more disruption to the traveling public.

RECOMMENDED OPTION:

The Department recommends that this request of \$600,000, as presented in Option A above, be approved to award the project to the low bidder.